DOCUMENT RESUME

ED 280 365 HE 020 181

TITLE	University Child Care Proposal.
INSTITUTION	Eastern Michigan Univ., Ypsilanti.
PUB DATE	Apr 86
NOTE	58p.
PUB TYPE	Reports - Descriptive (141)
EDRS PRICE	MF01/PC03 Plus Postage.
DESCRIPTORS	*College Students; *Day Care Centers; *Employed Parents; *Employer Supported Day Care; Higher Education; Needs Assessment; Preschool Education; Program Costs; Program Descriptions; Program Development; Program Implementation; School Age Day Care; *School Personnel
IDENTIFIERS	*Eastern Michigan University

ABSTRACT

Options for expanding child care services to Eastern Michigan University students, staff, and faculty are presented by the special assistant to the university vice president for university marketing and student affairs. The university's policy statement concerning child care services is considered, along with the relationship of these services to student recruitment and retention and employee productivity. After describing the current campus-based preschool program and child development laboratory, examples of four types of employer-sponsored child care are provided: flexible personnel policies, information programs, financial assistance, and direct services. Alternatives for renovating or constructing child care facilities are also considered, as well as capital costs, operating costs, renovation costs, and an operational budget for 1987-1988. Characteristics of an on-site program are covered, including capacity, age range of children, scheduling options, and teacher-child ratios. An implementation timetable and actions required by the college administration and governing board are included, along with a description of: proposed child care components (e.g., infant and toddler care, after-school care, summer school); research opportunities; and results of a child care market research study at the university. (SW)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED280365

EASTERN MICHIGAN UNIVERSITY

UNIVERSITY CHILD CARE PROPOSAL

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

This document has been reproduced as received from the person or organization originating it.

Minor changes have been made to improve reproduction quality.

Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

John C. Burkhardt
Eastern Mich Univ

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

April, 1986

IAE020 181

BEST COPY AVAILABLE

EASTERN MICHIGAN UNIVERSITY

INTER-OFFICE CORRESPONDENCE

Date: April 17, 1986

To: Dorian Sprandel
Executive Director, Auxiliary Enterprises

From: John C. Burkhardt
Special Assistant to the Vice President for
University Marketing and Student Affairs

Re: Decision Brief - University Child Care Expansion

The attached proposal provides substantial detail about options for expanding child care services to University students, staff and faculty.

The context for the child care issue has been shaped by previous decisions regarding child care on the campus. The University has decided that it supports expanded child care services only if such an expansion can be accomplished without additional cost to the general fund.

There are two sets of actions that derive from the proposal. The issues that are associated with these actions and the major alternatives available for consideration are addressed below, in an appropriate sequence.

I. FINANCING THE PROGRAM:

An operating budget has been developed for the child care program which would support all program costs plus the cost of construction (or renovation) and building maintenance expenses. The cost per hour of service would be $1.75 for program expenses plus $.75 per hour for facility costs. The total per hour cost ($2.50) is at the high end of current fees charged within the area and within the acceptable range for payment as indicated by market research findings. (Section 7 of the attached proposal provides additional detail.)

ACTION: The University should proceed with a significant expansion of child care services to students and employees either by renovating existing facilities or constructing a new facility.

EVENTUAL BOARD ACTIONS:

- Authorize Bonding for New Facility or Approve Renovation Alternatives
- Adopt Fee Schedule
- Accept Program Proposal
- Approve Personnel Recommendations

II. PROVIDING A FACILITY FOR THE PROGRAM:

Renovation alternatives have been exhaustively considered as a means of accommodating a program expansion. No existing campus space is available and suitable. Facility alternatives now seem limited to two: new construction or an addition to an existing facility. The cost of both alternatives are comparable and can be supported by the hourly fees from the program. (Section 5 of the attached proposal provides additional detail.)

ACTION: The University should select a site for either new construction or renovation of existing facilities to accommodate expansion of the child care program.

EVENTUAL BOARD ACTIONS:

- Formally Select Site(s) Within Campus Master Plan
- Select Architect

Attachment

EXECUTIVE SUMMARY

The child care problem has developed into a policy issue of immediate concern for the University. The campus now requires a way of addressing this need which is consonant with University goals and priorities and which is responsive to the resource limitations which characterize the current financial context.

This proposal has been developed by a campus team representing child care professionals, human resources staff, financial aid experts, physical plant representatives and students. This team has been assisted by a consulting firm, Rebus Planning Associates, experienced in planning and implementing employer sponsored day care projects.

This report includes a consultant evaluation of space potentially available for an expanded child care program both through new construction and renovation. A budget is presented that shows how the program can operate independently of any general fund subsidy. Comparisons of costs to parent-users are made with other Washtenaw County child care programs and suggestions for reducing the cost of the proposed child care programs are suggested.

The need for child care is a matter of national importance and its impact on students and employees has been repeatedly documented. This proposal addresses that need in a way that the University can afford and in which it can take special pride.

MAJOR FEATURES OF THE PROPOSAL

- 148 Day Care Slots through New Construction, or
- 120 Day Care Slots through Renovation
- Service to Employees and Students
- High-Quality Program
- Competitive Rate Structure
- No Additional Cost to General Fund
- Addresses the Issue of Access for Target Populations

TABLE OF CONTENTS

Section		Page
1	Introduction and Statement of Policy	1
2	Relationship to University Goals and Priorities	3
3	Current University Child Care Programming	5
4	Alternatives to Address the Problem	7
5	Facility Alternatives: Renovation vs. Construction	11
6	Tentative Program Components	17
7	Estimated Costs	23
8	Insuring Access to Campus Child Care	29
9	Summary of Actions Required	32
10	Implementation Timeline	33
11	Appendices	
A	Proposed Components	34
B	Research Opportunities	38
C	Summary of Child Care Market Research	40
D	Child Care Facility Planning and Construction Cost Estimates	47
E	Cost of Financing Capital Construction or Renovation for Campus Child Care	48
F	Dependent Care Assistance Programs	49
G	Child Care Implementation Team	52

INTRODUCTION AND STATEMENT OF POLICY

The following policy statement is presented as an expression of the University's commitment to meeting the needs of its students and employees.

> Eastern Michigan University will provide services to meet the child care needs of its students and employees. This commitment recognizes the importance that the availability of adequate child care plays in the decisions of individuals with dependent children to attend school and/or seek employment.
>
> It is also recognized that quality child care benefits the University in many ways and, therefore, justifies an investment in related facilities, equipment and operation. Such an investment is repaid by the unique contribution the child care program makes to the achievement of University enrollment, retention and employment goals.
>
> The child care program will serve as a model for programs in the community and on other campuses. As a means of realizing its objectives, the program will address itself to the needs of students and employees, and examine opportunities for collaboration with other public agencies, employers, and the Ypsilanti community.

The Board of Regents and Executive Administration have consistently reaffirmed support for quality child care and have encouraged seeking ways for addressing the child care issue on the campus.

A year of study, planning, and campus discussion was followed by engagement of a team of curriculum consultants. This process has resulted in a proposal that responds to the child care problem at Eastern Michigan University. The demand for adequate child care voiced by students and employees, like any issue that is rooted in the nature of changes in our society, is a

complex and expansive challenge. We believe that the current proposal responds to this challenge in a way that is consistent with the direction set by the Board and the President and in a manner that will bring enhanced prominence and success to the University.

RELATIONSHIP TO UNIVERSITY GOALS AND PRIORITIES

By successfully addressing the child care issue, the University will be able to accomplish its goals in three areas: student attraction, student retention, and employee productivity.

Student Attraction and Retention

The number of adults seeking to return to college is expected to continue to rise. Since many of these students are single parents or have working spouses, child care is a necessity for them to attend school. They will seek a university where child care is available, and once enrolled, will remain in school only as long as they find adequate, affordable child care. The current University child care program meets the needs of a limited number of students who have children over 2 1/2 years old, who need child care only during the academic term, and who can afford to pay the current cost of $1.60 per hour. The many students whose needs are not met by the current program must resort to such measures as taking their children with them to classes and exams, leaving their 6-12 year olds home alone or with younger ones to care for, dropping courses, defaulting on bills, or dropping out of the University altogether. The current program has a waiting list of over 50 families seeking care.

Staff and Faculty Productivity and Quality of Work Life

The number of staff and faculty who must have dependable child care in order to work exceeds ten percent of all Eastern Michigan University personnel. This percentage will continue to grow with the rise in the number of two-job families and single parents. Furthermore, the prospective employees we need will often have families and young children and will seek positions where adequate child care is available. Once hired, they will be able to remain productive only as long as child care difficulties do not cause absenteeism, tardiness, or low morale.

The current University child care program is structured to meet the calendar and schedule needs of students. It is staffed primarily by students, who are not on campus between terms. It cannot, as currently operating, adequately serve staff and faculty who need child care year-round, whenever University offices are open. Furthermore, supply significantly exceeds demand for this program.

Some of the need for year-round preschool care has been met by community child care centers in the past, but the need is growing faster than there are programs to meet it. The pressure on employers in our area to provide child care for their employees has intensified greatly. For children under 2 1/2 years the need has never been met by community programs. The inability to find adequate care for infants and toddlers has forced many current E.M.U. employees out of service for periods of several years. The current child care leave benefit does not provide for leave from University service to the point at which child care exists on the campus (2 1/2 years) nor is such an extended leave necessarily desirable for the University or the individual. To protect the investment the University has made in its employees, the availability of child care should be considered an important part of a benefit package for certain employees.

Inclusion Among Institutional Priorities

The University has recognized the prime importance of the child care issue by placing it among its list of top priority objectives for 1986/87.

CURRENT UNIVERSITY CHILD CARE PROGRAMMING

A campus-based preschool program located in Snow Health Center currently serves the EMU community.

The Snow Child Care Center

The Center was begun in 1979 in order to provide day care services for families of students and other E.M.U. employees. It offers a warm, supportive, and stimulating environment that enhances children's social, emotional, physical, and intellectual growth. The Center is located on the ground floor of the building.

The Center operates several interrelated programs:

1. Daytime preschool (Year-round)
2. Evening preschool (Fall and Winter)
3. Evening school-age (Fall and Winter)
4. After school (Fall and Winter)
5. Daytime school-age (Summer)

The Center is open from 7:45 a.m. until 10:15 p.m. during the Fall and Winter terms.

Each preschool classroom is staffed by a head teacher, an assistant teacher and as many as 25 student volunteers from various E.M.U. departments. It currently serves 120 children on a part- or full-time basis (50 FTE's). It has a waiting list of fifty families.

The Child Development Laboratory

A Child Development Laboratory was begun in 1970. It was conceptualized as a training site for students in the Department of Home Economics and was orginally housed in a local church. In 1984 it moved to the Rackham Building on campus, where it is currently

located. The basic objective of the Lab School is to offer a laboratory experience for child development courses and practicum experiences for E.M.U. students.

The primary campus child care option for students and employees does not address the need for child care as voiced by these groups and measured in market research studies. The Snow Health Center program and the Laboratory School both have waiting lists for care and cannot expand in their current locations due to existing space constraints.

Benefit of Experience from Both Programs

A long-term experience in providing these two types of child care has benefited the University. The current child care proposal takes the lessons acquired in managing and sustaining a cost-effective service oriented program and incorporates selected enhancements from a laboratory school environment. The involvement of experienced child care specialists who knew both programs well adds immeasurably to the quality of this proposal.

ALTERNATIVES TO ADDRESS THE PROBLEM

Background

Employer-sponsored child care takes one of four basic forms: flexible personnel policies, information programs, financial assistance, direct services. These four alternatives will be discussed in detail.

A. FLEXIBLE PERSONNEL POLICIES can be easily implemented and can benefit employees with a wide spectrum of child care circumstances.

1. Flexible Working Arrangements such as flextime, job sharing, and part-time work all enable parents to care for their children and facilitate the handling of emergencies, sickness, and care for children during non-school hours.

2. Flexible Leave Policies can enable parents to be at home when children are ill. Many working parents would prefer to use their sick leave for children as well as themselves. Flexibility in the utilization of leave time, with a specific allowance for sick child leave, represents an important support for these families.

3. At Home Work may be an important employment option for the future. As certain aspects of our University operations are converted to computers, more employees will be able to work out of their homes, thus caring for their children and fulfilling their job functions at the same time.

B. INFORMATION PROGRAMS often represent a cost-effective means to assist working families in making use of available community resources.

1. Child Care Information and Referral Programs provide information about child care, suggestions for parents on selecting quality care and referrals to local child care

providers. This service can be provided in-house or through contract with an outside organization. Washtenaw County is now served by a comprehensive information and referral program.

2. Parent Education Programs inform working parents about resources at work and in the community, provide support systems involving other parents and professionals, and create a forum for discussion of work and family issues.

C. FINANCIAL ASSISTANCE programs can increase parent options when child care supply is adequate in the community.

1. Flexible Benefits Plans allow employees to choose a benefit package which best suits their individual family circumstances. A core of mandatory benefits is included with optional benefits selected according to such factors as age, rate of pay, years of service, and family status. Child care is often included as a potential benefit in this type of plan, and income reduction plans may be a low cost means of helping employees meet child care costs.

2. Vendor Programs involve the purchase of slots in existing community child care programs. These slots are then sold to employees, frequently at a reduced rate. The organization can retain control over the purchased slots and can reassign them when an employee no longer needs the service.

3. Voucher Programs allow employees to select a child care program and submit a voucher to cover all or part of the cost of the services. This alternative places the selection of child care providers in the hands of parents. Both vendor programs and voucher programs depend on the availability of existing child care slots in the community.

4. Subsidies may be used to assist eligible employees with all or part of their child care costs.

5. Charitable Donations of money and in-kind resources frequently enable existing community child care facilities to provide services at a reasonable cost for working families.

D. DIRECT SERVICES allow an employer to become directly involved in providing child care services. This alternative is most attractive when community child care is in short supply or when aspects of the demand are unique to the organizational setting.

1. Consortium Arrangements permit groups of employers to work together to develop and support a child care program. This may take the form of funding for an information and referral system or a day care center conveniently located in relation to all firms contributing to the consortium.

2. On-Site or Near Site Centers can offer reliable quality care with trained professionals and educational programs. Organizations may own and operate their own day care centers, contract with an outside firm, or donate the facility to a nonprofit employee-operated organization.

3. Family Day Care Systems provide care in the home of the provider. Employers may develop family day care systems which establish flexibility in hours (for parents who work odd shifts or overtime) and facilitate supervision for children during school holidays or emergencies.

Child care for student parents is an important attraction and retention tool. Today, more than 600 colleges and universities provide some form of child care, most frequently direct service on campus. Up until the last decade, these programs were typically half-day preschool programs established as laboratories for child development or early childhood education departments. In the last ten years, however, these programs have begun to emphasize service provision rather than developmental programs--a reflection of the needs of women and students for whom child care is essential for attending classes and for faculty and staff employed in the university setting.

Recommendation:

Several of these options could be adopted by E.M.U. to help alleviate the problems of its workforce in obtaining child care. However, only one of these options also solves the problems of students with young children. These parents require a flexible, on-site program that is modestly priced, and that spans a broad age range.

Based on the options detailed above, the unique characteristics of the employees and students at E.M.U., and the severe limitations in existing child care supply in the Washtenaw County area, the most viable solution for the University is to bring new support to an on-site comprehensive child care program. Associated with this core program there would be a system of family day care homes, a Summer program for school-age children, and a school-age after-school program.

Summary

The need for a developmentally-oriented child care program that is accessible to both E.M.U. employees and students is well-established and has been carefully documented. In proposing a new child care program that will meet student and employee needs, the University is in a unique position to establish a model program that incorporates high quality and flexible child care for employees and students, a variety of hands-on, supervised experiences with young children for pre-service teachers and clinical interns, and many opportunities for faculty to engage in applied research. In this respect the University might benefit from the rich experience gained from operating the Snow Child Care Center, while incorporating the teaching/learning concepts which have been finely honed from sixteen years of exemplary practices within the Child Development Laboratory.

FACILITY ALTERNATIVES: RENOVATION VS. CONSTRUCTION

Renovation Alternatives

During the past two years several alternatives for renovating existing campus buildings for an expanded child care program have been explored. Among the sites given the most serious consideration were the buildings in which the current programs operate, Snow Health Center and Rackham.

Currently, the Child Care Program occupies approximately 4,400 gross square feet of space on the basement floor of Snow. An evaluation of the suitability for expansion of the Child Care Program to two additional locations in the building was conducted by the consultant architect and one of the child care planners. These spaces are as follows: the basement area currently occupied by the Office of Research Development (approximate gross square feet = 1,824), and the west end of the first floor, currently housing several administrative offices and examining rooms (approximate gross square feet = 1,936).

Suitability of Renovating the Snow Building

After evaluating the existing space used by the Child Care Center and the two additional proposed areas, we conclude that renovating the Snow Building would not be cost-effective due to the extensive renovation required and the number of child care slots made available.

The addition of approximately 3,760 gross square feet on two floors is less than ideal from a child care point of view. The configuration of the building, the site, and the other intended health center uses that take place there render the new areas problematic. Among these problems is that of safety for the children, and the concomitant liability for the University. This and other problems are described below. The problems may be addressed, of course, if sufficient funding can be brought to the project, but the expense drives up the cost of renovation to a point where it is similar to new construction. As indicated in the chart on pages 15-16, these problems may be generalized to other renovation sites as well.

A. Safety and Liability

Access to the outdoors from the new basement area requires the use of a flight of stairs (without natural light), or a long walk to the center of the building, or to the far east end. Access to the outdoors from the first floor also requires stairs, or passage through the reception area of the health center with the obvious public health risks for young children of being exposed to sick young adults.

In order to move from the first floor area through the basement area (for example, to get to the kitchen, the administrative area, or the playground) without going through the public areas of the health center, it would be necessary to walk through the proposed new west-end addition. This addition is adjacent to the existing x-ray unit, thus further reducing flexible use of circulation space. The constant use of stairs by staff and very young children--especially in Winter months when floors become wet and slippery--poses a safety and liability risk.

B. Convenience

It has already been noted that the proposed additions would not be internally convenient for the users of the child care facility. Nevertheless, the location of the building is very convenient to the center of campus and to the adjacent recreational center. The absence of parking and of easy vehicular access poses severe problems for effective use of an expanded child care program.

C. Cost

Although renovation of this building can be completed at a lower cost than construction of a new facility, savings would not be highly significant. This follows because the expanded facility would serve approximately 80 percent of the number of children served by a new facility, yet the cost per square foot would only be 33 percent lower. Thus, the capital outlay would be lower, but the revenues to amortize the renovation would also be lower. The

cost of relocating the Office of Research Development, Information Services and displaced health center programs must be considered.

D. Service, Teaching, and Research

The University's goals in these areas would all be limited by renovating rather than by building a new facility. Fewer children would be served in a less flexible environment, allowing for fewer opportunities to train college students in the renovated Snow areas. Additionally, research would be limited by the absence of observation rooms, adjacent examination rooms, and work space for teachers, other faculty, or graduate students. Other limitations include major problems with expanding the number of children served by the facility without sufficient room to expand the kitchen, administrative areas, or to create a small indoor gym or a staff lounge. These limitations all have an impact on the facility's potential to meet teaching, service, and research objectives.

E. Renovation Space in Rackham School

One way of supplementing the space available for child care expansion in Snow would involve renovation of an area in Rackham which is adjacent to the existing laboratory school program. This area, a former swimming pool and related locker rooms would add an additional 20-25 child care slots to the program. A child scale gymnasium within the building would be improved and equipped to provide necessary play space for the program. This plan would allow all existing academic programs to continue in place but would require a solution to a parking and traffic problem which already plagues the area. There would also be some additional program costs associated with administration of two sites.

F. Summary

Renovation of portions of the Snow Health Center (with or without space in Rackham) would not be advisable unless it could be shown that such a project could be accomplished at a significantly lower cost to users. Renovation in these areas brings with it programmatic, financial, convenience and safety constraints that are not associated with a new facility. Viewed in a context where users would pay the cost of facility renovation or facility construction, new construction would result in a better long term benefit. However, if renovation can occur without creating a facility surcharge for users, then it may be a suitable alternative.

Other Alternative Sites for Renovation

Several additional campus sites have been considered as possible renovation opportunities to accommodate child care. These sites, their advantages and disadvantages are outlined below:

CAMPUS RENOVATION ALTERNATIVES

PROPOSED SITE	ADVANTAGES	DISADVANTAGES
Snow Health Center and Rackham School	Close to existing program and to recreation facilities	No parking
		Insufficient space to meet need
	Centrally located on campus	Access, egress problems
		Not cost efficient if users must bear cost of renovation
Westview Apartments	Close to key user groups	Expensive to renovate due to two story construction and separate buildings
	Available Parking	
		Acquisition costs or assumption of debts would make this option less cost effective
Dining Commons III (Basement area)	Accessible location	Not suitable for child care (below grade)
	Site is currently not in use	

Brown Munson Recreation Area	Close to Rackham program and play area	No parking Insufficient space to meet need Substantially below grade
Chippewa Racquet Club	Accessible location Currently has small baby-sitting facility	Not owned by University Acquisition cost a factor May compete with other uses

Renovation as a Means of Solving the Facility Problem

A review of renovation alternatives reveals that no campus site has been found that substantially addresses the need, can be licensed, and provides a cost advantage compared with new construction, assuming no external funding support for the renovation. In this context a new facility must be viewed as the best alternative for solving the facility problem.

Construction Site Consideration

A possible construction site has been identified by physical plant representatives in consultation with child care personnel. The site is located on the northwest corner of the intersection of Oakwood and Mayhew, west of the Hoyt Conference Center. This site is in walking distance of two married housing complexes and Fletcher Elementary School. It is easily accessible from Huron River Drive and en route to the parking structure. The site has been identified as an acceptable construction site on the campus master plan.

TENTATIVE PROGRAM COMPONENTS

In response to the needs of the E.M.U. community a child care model is proposed that includes infant and toddler care, a preschool (developmentally-oriented) day care program, and a supplementary program for kindergarten age children. This center will be supplemented by a specific set of relatively low cost support programs such as, University participation in building a network of family day care homes, school-age after-school care, and school-age Summer program. Center-based care will be modeled on the program philosophy of the Child Development Lab School, but the full-time equivalent placements, or slots, incorporated into the program more nearly approximate the service orientation provided by the existing Child Care Center. The proposed program will conform to licensing requirements set forth by the Michigan Department of Social Services and the criteria for accreditation of the National Academy of Early Childhood Programs of the National Association for the Education of Young Children (NAEYC).

Characteristics of the On-Site Program
(Brief descriptions of all program components are included in Appendix A.)

A. Capacity

Total number of child care placements ("slots"):

1. Recommended Program:

148 FTE (approx. 355 different families per term)

2. Rationale:

a. Serves a demonstrated need

b. Provides sufficient size for flexibility of age range and continuity within center as children move to older age groups.

c. Fewer than 148 FTE slots would result in fewer needs met at a higher marginal expense.

3. Major issues: None

B. Age Range

1. Recommended Program

2 months to 6 years (with evening and summer options to 12 years)

2. Rationale for 2 month lower age limit:

a. Permits staff and student retention objective to be met.

b. Only a small number of very young infants will be enrolled in a specific room, and a single caregiver would be responsible for no more than 3 infants younger than 6 months.

c. Critical shortage of infant day care in community.

Rationale for 6 year upper age limit:

d. Kindergarten is only offered on a half-day basis in this area.

e. Provides continuity for child and family until first grade.

3. Major Issues:

a. Two-month old infants are still very vulnerable to stress and illness.

b. The University should encourage parents to care for their infants at home or in a one-to-one or small group situation during the first year.

C. Scheduling Options:

1. Recommended Program:

Four age groupings, eight distinct groups:

a. Infants (2 months - 12 months) - 2 groups of 10

b. Toddlers (12 months - 30 months) - 2 groups of 14

c. Preschool (2 1/2 years - 4 years) - 3 groups of 18

d. Kindergarten (4-6 years) - 2 groups of 23

e. School-Age After-School Program (6-12 years) - approximately 20 children

f. Summer Program - 4 major divisions: infant/toddler; preschool; kindergarten-grade 3; grade 4-6

2. Rationale

a. Developmental (i.e., reflects ages when the children display major intellectual, affective, motoric, and social changes).

b. Allows for programmatic and instructional flexibility.

c. Permits child care continuity for employee families over a 5-6 year period, and supplementary child care year-round through elementary school.

d. Permits different teacher/child ratios to be used and space to be maximally utilized so that quality of care is maintained while costs are controlled.

D. Teacher/Child Ratios:

1. Recommended Program:

Infants	1:3	teacher per child
Toddlers	1:4	teacher per child
Preschool	1:10	teacher per child
Kindergarten	1:12	teacher per child

Note: These are minimum ratios that will be improved upon by the presence of volunteers, student teachers, etc. Moreover, in any 10-12 hour period, the ratio of caregivers is closer to 1:3 or 1:4 overall.

2. Rationale:

a. Permits flexible staffing plans to be developed

b. Maximizes both quality of care and financial benefits

3. Major Issues:

a. Relies on both Master teachers and a steady force of student help

b. Staff ratios may be difficult to maintain at beginning and end of day

E. Hours, days, and types of operation:

1. Conventional Day Care:

7:00 a.m.-6:00 p.m., Monday-Friday, 52 weeks per year, except for University closings

2. After-School and Evening Care

3:00 p.m.-10:00 p.m., Monday-Thursday, except mid June-August

3. Summer Program

7:00 a.m.-6:00 p.m., Monday-Friday, mid June-August

F. Program Constraints Associated with Renovating an Existing Facility

The program components described above are based on the construction and staffing of a new facility. If the University selects to renovate a facility, programmatic compromises would have to be made. Obviously, the exact size and scope of the program would depend on the facility itself, but the estimated maximum capacity of the most frequently considered alternatives are listed below:

Snow Health Center	
1st floor	25
2nd floor	25
Rackham School	
Pool area and gymnasium	20
Brown Munson Apartments	20

Characteristics of Support Programs: (See Appendix A)

A. Information and Referral

Participation in the county-wide system to link parents with child care providers.

B. Family Day Care Homes

Although the proposed program will be able to accommodate 20 infant FTE's, it will not be able to meet all of the demand for care for babies. Moreover, some families do not desire group infant and toddler care. These parents prefer a more home-like environment which, while developmental in nature, does not place the baby in contact with as many other children and adults as group care.

Family day care provides an alternative for families whose needs are not met by the on-site infant and toddler programs. Family day care homes usually provide care for up to six children with no more than two infants present at a time. Such homes are licensed by the Department of Social Services and the providers professionally constitute the largest group of child care workers.

Further information about this program is provided in Appendix A.

C. After School and Summer School-Age Programs

Provision of care for children of staff and students who work late shifts and/or through Summer, or whose classes require evening and Summer attendance.

D. Flexible Personnel Policies

Systematic review of University personnel policies that effect families with children including sick time and leave provisions, flexible scheduling and shared job responsibilities.

E. Financial Assistance

Specific recommendations in the area of financial assistance to employee and student families which are discussed in Section 8.

ESTIMATED COSTS

The cost of implementing the child care proposal will be reflected in one time only (capital) expenses and in ongoing operating expenses. The proposal allows the total capital expenses and operating expenses to be fully operated within the Auxiliary Fund as a financially self-supporting project.

Capital Costs (Auxiliary Fund Debt: $1.5 Million)

All studies of on-campus space availability have made it clear that no current space is available to accommodate child care expansion. Furthermore, the nature of licensing requirements for child care makes renovating existing space virtually as expensive as new construction (see Section 5 of this report).

The proposed program calls for approximately 15,000 square feet of building space, an outdoor play area, and parking. Cost estimates prepared by William Smart of the E.M.U. Physical Plant calculate the cost of construction for such a facility at $1,125,000. Other costs of developing the facility (design, engineering, furnishing, landscaping and contingencies) would total $375,000. The total capital outlay would amount to $1,500,000. (See Appendix D for details.)

Based on a review of financing alternatives for capital expenditures, it appears that the sale of revenue bonds to support this facility (as one of a number of University projects) is the preferred alternative. These debt service costs can be fully borne by fees charged to users, with no General Fund subsidy.

Operating Costs
(Auxiliary Fund Balanced Budget: $681,840)

The proposed program will require $681,840 in program revenues to be financially self-sufficient. Based on the number of annual service hours and the service capacity, it is calculated that the per hour cost per child is $1.75 for care plus $.75 per hour for the

facility surcharge, for a total of $2.50 per hour. This cost per hour assumes no general fund or student fee subsidy.

An operating budget for the first year of operation, based on housing the program in a new facility, is attached.

Estimated Costs Associated with a Renovated Facility

Estimates of costs associated with expanding child care into a renovated facility differ by the nature of the facility itself. The most likely alternative, expansion in Snow and Rackham, would yield approximately 120 total child care slots and would cost approximately $550,000 to renovate (including relocation of affected offices in Snow). Overall program costs would be somewhat lower, but the number of slots available would be reduced, thus slightly increasing the cost-per-hour to parents. The cost of a facility surcharge would depend on the method of financing.

OPERATIONAL BUDGET
ASSUMING NEW CONSTRUCTION OF A FACILITY
1987/1988

Revenue		
Parent Fees (@ $1.75 per hour)	$477,288	a)
Per Hour Facility Surcharge ($.75 per hour)	204,552	b)
Total Revenue	$681,840	
Program Expenses		
Salary and Fringe Benefits		
Administrative/Professional	$ 54,000	
Head Teachers	75,000	
Assistant Teachers	120,000	
Clerical	24,000	
Fringe Benefits (.30 of salaries)	81,900	
	$354,900	
Student Labor		
Graduate Assistants	$ 52,000	
Regular Student Labor	8,500	
College Work Study	3,200	
	$ 63,700	
Supplies, Services, Materials		
Instructional Support	$ 13,704	
Classroom Supplies	9,500	
Office Supplies	1,200	
Food Goods	8,750	
Telephone	1,100	
Insurance	2,250	
Reserve for Vacancy (2%)	10,800	
Uncollected Accounts	4,500	
Advertising, Postage	1,500	
Other	500	
	$ 53,804	
Facility Costs		
Acquisition/Construction (Debt Service)	$164,320	
Utilities and Annual Maintenance	40,000	
	$204,320	
Total Expenses	$676,724	
Net	$ 5,116	

a) Determined as 148 slots @ 44 hours per week for 36 weeks per year, and 76 slots @ 42 hours per week for 12 weeks per year or 272,736 care hours per year.

b) Total cost per hour for parents = $2.50.

COMPARATIVE COSTS OF CHILD CARE CENTERS

Program	FTE	Hourly Cost*
Employer-Sponsored		
Catherine McAuley Health Center	104	$1.70-1.90
Corner Cottage (VA Hospital)	30	1.70-1.90
Carriage House (Group 243)	24	1.50-2.00
University-Sponsored		
Children's Center (U-M)(Preschool)	60	2.25
Pound House (U-M)	50	2.40-2.60
Ann Arbor		
Discovery Center	125	1.90-3.00
Little Farms	60	1.60
Beth Shalom (Preschool)	24	2.00
Community Day Care	37	1.04-2.71
Ypsilanti		
Hilltop House	29	1.40
Grandma's Place	48	1.25
Humpty Dumpty	20	1.50

*Hourly costs are approximations. Most centers use a weekly fee schedule, based on approximately 9-hour days.

COMPARATIVE COSTS OF GROUP HOMES AND FAMILY DAY CARE

Program	FTE	Hourly Cost*
Group Homes		
1. Ann Arbor		
Muppet Land	12	$2.50
Kiddie Kingdom	12	2.50
Jackson's Day Care	12	2.50
Hoot Owl	12	3.00
2. Ypsilanti		
Child's View	12	2.00
Noah's Ark	12	1.25
Rachel Neal	12	1.20
Ann Boone	12	2.00
Family Day Care		
1. Ann Arbor		
Joan Kauffman	6	2.25
Karen Jania	6	2.50
Suzanne Price	6	2.50
Jackie Dousseau	6	2.50
2. Ypsilanti		
Ernie Jones	6	2.50
Donna Koehler	6	1.75
Noreen Smith	6	2.00
Peggy Taylor	6	2.75
Cheryl Smith	6	2.00

*Hourly costs are approximations. Providers have varying rates for weekly full-time, part-time and hourly.

INSURING ACCESS TO CAMPUS CHILD CARE

Background:

As the operating budget in the previous section indicates, the proposed program can be operated on parent fees and with no new support from the general fund.

The rate proposed for care, however, ($2.50 per hour) is at the highest end of the current 1986 range for child care service in Washtenaw County. It is within the range that some parents said they would be willing to pay for campus child care. Filling available slots in the center at $2.50 per hour would not be a problem.

If there is any problem with a $2.50 per hour fee, it relates to the number and distribution of students and employees who might be unable to afford the service at such a price.

Illustration of Child Care Costs

For Two Types of Child Care Patrons

	Hours Per Week	Cost Per Week	Cost Per Year
EMU clerical employee working full-time with one child enrolled for care	42	$105.00	$5,040
EMU student enrolled for 16 credits with one child enrolled for care	16	$40.00	$1,800

The illustration above points up the nature of the potential problem. For clerical employees, nearly one-third of income before taxes must go to pay for child care. A student with one child would pay $1,800. The

current allocation for child care in the federal financial aid award is less than $600 for a full-time student.

Keeping Child Care Affordable for Target Populations:

Fortunately, there are several techniques that the University has available to insure that its child care program serves its target populations. These are divided into two categories, employee support and student support.

A. Employee Support

Assistance for employees can come in two ways, flexible benefit options and employee payment of child care expenses in pre-tax dollars.

Flexible benefit options would include the opportunity for employees to exchange an existing benefit for a child care benefit. The most likely exchange, based on experience from industry settings, would reduce the contribution made to employee retirement by the University and direct that same amount to pay a portion of child care costs. This exchange could effectively reduce the per hour fee for participating parents from $2.50 per hour to $1.75 an hour or less. Other employees, particularly those with working spouses, might choose other exchanges, if they were available.

The use of pre-tax dollars to pay child care costs has been approved by the Internal Revenue Service for employer sponsored day care programs. The employee sets up a system of direct payment to the provider for child care and is then reimbursed from a non-accumulating account established with the employer using pre-tax dollars. The employee is then taxed on remaining income after child care expenses have been paid. (The same procedure is available for aid to dependent parents to support care for the elderly.) Catherine McAuley Health Center and other local businesses have incorporated this mechanism as a means of assisting its employees pay for child care. (See Appendix F for a more detailed explanation of this program.)

B. Student Support

Assistance for students can come in two ways, by increasing the educational budget for students with children and by identifying child care as a legitimate educational expenditure in the administration of existing loan programs.

Federal financial aid packages are determined based on the annual report of student educational costs provided to the Department of Education. The EMU Financial Aid Office will increase the child care allowance based on the cost of campus child care. Mechanisms for direct payment of child care costs (in a manner similar to bookstore expenditures) are also available.

Existing short-term and long-term loans are also extended to students who need child care.

Summary

The problem of the cost of child care can be addressed at no additional expense to the University if it takes advantage of available opportunities in specific areas. The administrative staff affected by these changes are aware of the opportunities and do not anticipate implementation problems, should the University choose these approaches to insuring access for campus child care.

Such action would not eliminate the financial problems faced by some families seeking quality child care. The nature of this part of the child care dilemma is rooted in societal and economic issues beyond the control of the University. It is believed that the child care administration will be able to adequately cope with, be sensitive to, and manage this endemic reality.

SUMMARY OF ACTIONS REQUIRED

BOARD ACTIONS:

- Approve Renovation Alternative or Authorize Bonding for Maximum of $1,500,000 in New Facility Construction Costs.
- Identify Architect.
- Adopt User Fee Schedule.

ADMINISTRATION ACTIONS:

- Identify Campus Site Alternatives and Recommendations.
- Recommend Balanced Operating Budget.
- Form Campus Implementation Team Per Implementation Timetable.
- Seek Necessary Licenses.

IMPLEMENTATION TIMELINE

Approval for Renovation or Bonding for New Facility	June, 1986
Site(s) Selected	June, 1986
Architect Identified	June, 1986
Transition Team Formed	June, 1986
Design Phase Completed	July, 1986
Architectural Drawings Completed	September, 1986
Construction Drawings Completed	October, 1986
Cost Analysis	October, 1986
Construction Bids	November, 1986
Construction Begins	November, 1986
Equipment Ordered	March, 1987
First Year Operating Budget Submitted	March, 1987
Fee Structure Approved	April, 1987
Construction Completed	May, 1987
License Applications Filed	May, 1987
Staffing Completed	June, 1987
License Approved	June, 1987
Program Opens	July, 1987

Appendix A

PROPOSED COMPONENTS

Infant Care

Current research, as well as stated E.M.U. need, points to the dearth of out-of-home infant care slots. Because of the low ratio of caregivers to babies (1:3) infant care is costly. Yet, the need for care which supports families with infants is critical. Research also demonstrates that consistency of care for babies is the variable which most significantly influences socio-emotional development and adjustment. With the two factors of ratio and consistency of care held in uppermost importance, two infant rooms, each with the capacity to accommodate ten infant full-time equivalents (FTE's), are proposed. This program should include observation rooms from which small classes in infant care may be taught, and from which parents may observe their babies.

Toddler Program

The proposed model includes two toddler rooms. These rooms should reflect a program philosophy of learning through exploration by alloting ample space for discovery and by utilizing master teachers. The toddler program is proposed to be staffed with one adult for every four children.

Preschool Program

E.M.U. is fortunate in having among its resources an exemplary developmental preschool model--the Child Development Laboratory. The philosophy as well as the activity center concept of the new program will be based on the Lab School model, with additional consideration given to the realities of programming for a full day.

Kindergarten

The Ypsilanti public school system--like the other school districts in Washtenaw County--offers only half-

day kindergarten, and this creates problems for E.M.U. families who must obtain child care for the other half of the day. Once this care has been secured, they must then transport their child from one setting to the other at mid-day. By providing two half-day kindergarten sessions and, possibly, shuttle transportation to and from the Perry Child Development Center, E.M.U. could have a major impact on this significant employee child care issue.

This program component would require two rooms and would be based on a model of enrichment activities that would supplement rather than duplicate the preschool kindergarten program. As preschoolers become kindergarteners, their transition between the two programs will be made easier by remaining in a familiar setting. It will also be possible for some children whose home districts are too far from E.M.U. to use the kindergarten placement for full-day care.

Family Day Care

To extend the number of infant care slots, a family day care program will be established. This option will be of special appeal to parents who prefer a more home-like environment which, while developmental in nature, does not place the baby in contact with as many other children and adults as group care.

Family day care homes usually provide care for up to six children with no more than two infants present at a time. Such homes are licensed by the Department of Social Services and the providers professionally constitute the largest group of child care workers.

Washtenaw County is fortunate to have a very sophisticated population of providers. These providers have been assisted by a very active professional association, a local corporation that has formed a satellite family day care component to on-site child care, and a federal training grant. Although this system of providers is currently operating at capacity for infant and toddler care, the existence of a training program in this area would no doubt increase the number of local providers. The University is in an excellent position to begin a family day care training program to meet the needs of E.M.U. families and to generate additional credit hours from individuals who wish to become family day care providers.

School Age Child Care

Provisions for children 6 to 12 years old will be an integral part of the child care program. Since programming for this age group requires different expertise and administrative time than that required for preschoolers, it is recommended that this phase of the program have its own coordinator.

The following program components should be included in school-age child care:

1. After-school care

2. Half- or full-day care for non-E.M.U. holidays, teacher reporting days, etc.

3. Summer care

After-School Care

After-school or latch-key care is critical to parents whose jobs or classes extend beyond the end of the school day. This care is particularly important for student parents who work during the day and who consistently take evening classes.

The focus of this program would be recreational in nature, allowing children time to do homework or simply to relax.

Half-Day Care

School districts in both Ypsilanti and Ann Arbor allow teachers parent conference and record keeping half-days during which time students are not in attendance. The program would be available to students and staff on a sign-up basis for these special days. Science, crafts, or recreational projects would be planned by the coordinator for these times.

Summer Program

Although the Snow Health Center has operated a small Summer preschool program, and the University has sponsored other special Summer institutes for adolescents, many of the needs of E.M.U. staff for Summer child care have gone unmet. This proposal

includes provisions for a school-age Summer day camp program which would be coordinated through the administrative system of the child care program.

This program would operate from the family housing units where children would be grouped according to broad age ranges or interests. This Summer experience would be recreational in nature, would use the outdoor environment and the on-campus recreational facility extensively and would be staffed by work-study students. This staffing arrangement permits the program to increase its revenue during a period of lower operational costs.

Appendix B

RESEARCH OPPORTUNITIES

The proposed child care program would greatly expand and enhance the research options of the E.M.U. faculty. Such a child care program would place the University in an excellent position to become a model in applied day care research.

Previous research in the area of child development has emanated principally from university nursery school laboratory settings. It is in these programs that the basic philosophies of early childhood education were validated. Because the early experiences of most young children now include more hours of out of home care than is available in part-day preschool, research must now focus on the impact of the day care experience on child development, or on the day care center as a child rearing environment. The range of research options would begin with a thorough examination of all the features of the child care environment as they relate to child development variables. Standard constructs such as cognitive growth, emotional maturity, or the acquisition of values need to be studied with children who have been reared in a modern group environment. In addition, variables which would enhance adjustment to the group setting--maternal attitudes toward child care, the consistency of the child care environment, rate of adaptation--demand critical attention. The goal of this research would be to examine the features of the child care environment which promote optimal experiences for children.

In addition to research concerning the day care experience for young children, the center could provide subject pools for research in which the faculty is already engaged. The inclusion of a wide age range (2 months to twelve years), as well as extended hours of care, greatly increase the potential for access to subjects for both cross-sectional and longitudinal studies.

Another major area of research concerns teacher training. Very little is known about the preparation of

pre-service teachers for work in day care settings. A variety of research studies focusing on these issues could be developed.

Finally, not only will the proposed program provide research opportunities about child development, it can also serve as an opportunity to study adult variables as they relate to child care. These variables would include family functioning, foster care, and factors relating to such specific professional preparation as nursing education or teacher training.

Appendix C

SUMMARY

CHILD CARE MARKET RESEARCH

STUDENT-PARENT AND EMPLOYEE-PARENT SEGMENTS

Introduction:

A comprehensive market study was conducted to further specify the need for child care services by Eastern Michigan University students and employees. Each of the two groups were segmented by population characteristics, samples drawn, and written instruments administered. Additional survey information was obtained by telephone. A full explanation of the survey project, methods employed, and instrumentation is available in two reports, "Child Care Market Research: Student Segments" and "Child Care Market Research: Employee Segments", from the author, Dennis Lefond, Ph.D., Eastern Michigan University.

General Demand for Child Care: Current Demand

There were repeated indicators of significant need for child care services from both student-parents and employee-parents. Through extrapolation from the sample to the population, it is estimated that there are several hundred University employees that currently use some type of non-parent child care. About 100, based on reports from respondents, would be interested in campus child care and/or nursery school options.

It is much more difficult to ascertain the numbers of student-parents desirous of child care. University records do not contain information about children and information on marriage is unreliable. Other research indicates that about 30% of Eastern's enrolled students are over 23 and that approximately 25% of Eastern's students own their own home. This research indicates

that 83% of students in these categories use some type of child care and that about thirty-five (35%) percent find Eastern's current child care or nursery school highly desirable options. Both the lab school and child care in Snow maintain waiting lists, consequently all indications point to a heavy demand for child care in the near seeable future from both student and employee segments.

General Demand for Child Care: Demand in the Next 5-10 Years

Demographic trends indicate that during the next five years, demand for child care will remain high as the so-called baby boom cohort has children. The University's Strategic Marketing Plan also suggests that an aggressive outreach to older students will be necessary to replace traditional students in meeting enrollment goals. Many of these students will have started families. To the extent that Eastern is successful in attracting these students, the demand for child care will continue to increase. Estimating the demand after five years is more difficult. While the numbers of people in the peak child bearing years (ages 22-30) will decrease, the trend toward two income families seems inexorable thereby creating more demand for child care. We also observe an increased number of women starting families after the age of 30, particularly among groups who by virtue of their educational attainment may constitute a high yield subpopulation for faculty recruitment efforts.

Why Do Parents Seek Child Care?

As would be expected, employee-parents primarily seek child care because they need it while they work (85%) and student-parents seek child care while they attend classes (66%). Student-parents also work and therefore also need child care during working hours (40%). Only slightly less important to both types of parents was their interest in providing educational (65%) and social experiences (55%) for their children. This would seem to indicate that student and employee-parents desire child care so they can pursue their own goals, but additionally want growth experiences for their children.

What Types of Child Care Are Most Desired by Faculty, Staff, and Students?

Over half of the student-parents rated 12 of 14 attributes as a major consideration in selecting child care and over half of the employee-parents rated 10 of 14 attributes as a major consideration. These 10 variables when grouped into five major categories become:

- o quality of staff (assessment of, ratio of, consistency of, and educational level of staff),
- o hours of service,
- o educational activities,
- o cost, and
- o closeness to their home.

When Are the Peak Times of Child Care Demand?

Student-parents most desire care from 9:00 a.m. to 3:00 p.m., Monday-Friday, with some users desiring care from 8:00 a.m. to 5:00 p.m., Monday-Friday. Students also desired late weekend night care ostensibly for relaxation after a busy week of being student, employee and parent. The predominant employee-parent need for care was between 8:00 a.m. and 5:00 p.m., Monday-Friday, however there was an identifiable minority desirous of care starting at 7:00 a.m. and a group of employee-parents desirous of care until 6:00 p.m. Desire for child care during evenings was less prevalent, but existent.

There was also an apparent need for after school care for school aged children. This was evidenced by general ratings of the importance of obtaining after school care: thirty-four (34%) of student-parents and forty-seven (47%) percent of employee-parents rated after school care as essential or very important, and twenty-five (25%) percent of student-parents indicated that an inability to obtain after-school care had resulted in restricted opportunities for them to attend school or work. Likewise thirty-three (33%) percent of

employee-parents reported that the inability to obtain after school care had restricted their opportunities to work.

Students seemed to report just as much need for Spring and Summer care as employees. Employees also reported strong levels of need during academic vacation periods when students reported a reduced, but existent need. National holidays are the period when care is least needed. However, fourteen (14%) percent of the students and eight (8%) percent of employees indicated they need MORE child care during these periods. Perhaps students take jobs in the community that require that they work or that their busy schedules necessitate studying on these dates.

How Does Child Care or the Lack of It Impact Student and Employees?

Approximately one-half (54%) of the employee-parents and one-third (34%) of student-parents surveyed reported that they would not be students or employees if they could not obtain child care. Additionally students reported child care impacts as follows: delayed enrollment (34%), inability to complete library assignments (33%), influenced their decision to attend Eastern (34%) and required them to obtain an extra job (22%). Employee-parents reported that child care impacts on their decision to work at Eastern (19%), having to take an extra job or borrowing money to pay child care costs (20%), taking vacation or personal days when their normal child care option was not available (50%) and to think about quitting their job (27%).

What Program Components Are Desired?

A number of possible program components were foci of questions.

Over half of both student and employee respondents indicated a desire for food services, and were willing to pay $.25 extra per hour to be assured that all direct staff had some college education.

Sixty (60%) percent of the employees and seventy (70%) percent of the students were desirous of unscheduled or drop-in child care service and roughly seventy-five

(75%) percent of these respondents were willing to pay $.50 more per hour for this service. These same parents estimated they would like, on the average, about 4 hours of this type service per week. Respondents were less receptive about using child care services after 10:00 p.m., although roughly twenty (20%) percent were interested. Accessible parking was rated as a major consideration by only twenty (20%) percent of the parents, but if the respondents who rated it as a major or minor consideration are combined, they would make up seventy-two (72%) percent of the total.

Conclusion

There exists a significant demand for child care on Eastern's campus that exceeds service levels currently offered. The demand over the next five years is projected to increase, especially by students as the University increases the numbers of non-traditional students, and women continue to combine their roles as mothers and workers.

DIFFERENCES: STUDENT-PARENTS & EMPLOYEE-PARENTS

Only differences of ten (10%) percent are included. While ten (10%) percent may not be satistically significant, it represents a difference that seems managerially meaningful.

Factor, Characteristic or Response	Student Parents	Employee Parents
1. Average number of children	1.47	2.17
2. Type of Household: 1 Adult only	33%	11%
3. Age of children	2 with children 11 or older	17 with children 11 or older
4. After school care - care given by parent	64%	43%
5. After school care program acceptance or anticipated use	76%	64%
6. After school care: rating very important	21%	35%
7. Willingness to pay for after school care - average cost	$2.09	$1.60
8. Use child care currently	83%	66%
9. Types of child care used		
A. Child care worker comes to home	25%	11%
B. Commercial child care center	10%	30%
C. Eastern's Child Care Center	38%	27%
D. Relative	60%	27%
10. Child care options rated highly desireable:		
A. Neighborhood child care home	17%	29%
B. Relative	71%	33%

Factor, Characteristic or Response	Student Parent	Employee Parent
11. Factors parents consider major in selecting child care:		
A. Your (parent) assessment of child-staff interaction	84%	95%
B. Your (parent) assessment of staff	82%	95%
C. Cost	82%	60%
D. Ratio of staff to children	76%	92%
E. Consistency of staff watching your child	73%	89%
F. Close to home	68%	55%
G. Referrals of others	53%	74%
H. Easy transportation to and from	50%	36%
I. Close to classes	52%	6%
J. Accessible Parking	26%	16%
12. Reasons why child care is desired:		
A. To work	40%	85%
B. To provide my child with social experience	48%	67%
C. To go to school	66%	11%
13. Will take advantage of food service	55%	66%
14. Cost of child care:		
A. Lowest cost expected	$1.53	$1.37
B. Highest cost expected	$2.86	$2.05
C. Average cost expected	$2.04	$1.76
D. Currently pay	$2.16	$1.53
E. Highest amount they would be willing to pay	$3.33	$2.06
15. Staffing ratio, children: staff	5:1	7:1
16. When care is needed most	10 AM-2 PM Mon-Thurs	2 PM-5 PM Mon-Fri
17. Need unscheduled child care	70%	40%
18. Rating child care as very important service	63%	50%
19. How they get to campus-drive their car	79%	98%
20. Current child care has convenient parking	60%	76%

Eastern Michigan University

INTER-OFFICE CORRESPONDENCE

TO: John Burkhardt, Director
Health Services

DATE: October 30, 1985

FROM: William Smart, Director
Physical Plant

SUBJECT: Child Care Facility Planning and Construction Cost Estimates

I.	Program Consultant	$ 7,000
II.	Construction Cost (15,000 sq. ft. @ $75.00)	1,125,000
III.	Architectural and Engineering Fees	80,000
IV.	Construction Contingency and Testing Allowance	110,000
V.	Furnishings and Equipment	98,000
VI.	Landscaping and Fencing	80,000
		$ 1,500,000

We have been advised that a reasonable time expectation is one year from beginning of design to occupancy.

WS/tlm

1985

State Archives Center

Eastern Michigan University

INTER-OFFICE CORRESPONDENCE

TO: Dorian Sprandel
Executive Director, Auxiliary Enterprises

DATE: April 17, 1986

FROM: John C. Burkhardt
Special Assistant to the Vice President for
University Marketing and Student Affairs

SUBJECT: Cost of Financing Capital Construction or
Renovation for Campus Child Care

Bob Romkema was able to furnish the following information on capitalization costs for a campus child care center.

CAPITAL COSTS	PAYBACK PERIOD	INTEREST RATE	ANNUAL PAYMENT
$2,000,000	15 years	9%	$248,118
1,500,000	15 years	9	189,089
1,500,000	20 years	9	164,320

Based on the current scope of this project, the child care program would generate about 272,735 fee hours per year. Therefore, updating the program costs and utilities estimates described in the child care proposal, we would expect the following impact on fees:

	TOTAL COST	COST PER HOUR
Program Cost	$466,854	$1.71
Debt Retirement	164,320	.60
Utilities Cost	40,000	.14
	$671,174	$2.45

Appendix F

DEPENDENT CARE ASSISTANCE PROGRAMS:

Salary Reduction Plans*

Dependent Care Assistance Programs (DCAP's) were introduced in 1981 as part of the Economic Recovery Tax Act. Described in Section 129 of the Internal Revenue Code, DCAP's represent a means of lowering the cost of child care by permitting employees to contribute toward child care on a before-tax basis.

DCAP's are a form of salary reduction, or cash-or-deferred arrangement (CODA) known as 401K plans, or Section 125 plans (referring to sections of the Tax Code under which they qualify). Basically, DCAP's permit employees to use pretax earnings to pay the costs of dependent care.

A DCAP requires the preparation of a separate written plan developed by the employer specifically for the exclusive benefit of its employees. The plan must meet the following requirements:

1. It must be nondiscriminatory in terms of eligibility and benefits.

2. Dependent care tax credits can only be claimed for those expenses not covered by the plan.

3. Neither employer nor employee pays social security taxes on the amount of salary that is reduced.

4. The DCAP should not affect pension, profit-sharing, or group life insurance plans, all of which should be computed on non-reduced income.

5. The DCAP need not be funded by the employer.

Several restrictions on DCAP's are included in the Tax Code. These include:

1. The amount of income reduced cannot exceed a single employee's annual income. For a married employee, the reduction cannot exceed the income of the lower-earning spouse.

2. The DCAP can be used only if child care expenses are incurred to enable employee and spouse to work.

3. Unlike child care credits, DCAP's cannot be used to reimburse a person who is related to the employee, or a child under 19 who is claimed as a dependent.

4. If an out-of-home center-based facility (enrolling more than six children) is used for child care, the center must comply with federal, state, and local laws and regulations.

5. Benefits may not discriminate in favor of officers, owners, or highly paid employees or their dependents.

The Code describes eligible dependents as:

1. Dependent children younger than age 15.

2. Disabled spouses and dependents (including elderly dependents not in nursing homes).

Criticisms that can be brought against DCAP's include:

1. It may lower an employee's social security benefits.

2. DCAP's may offer a greater tax advantage to higher rather than lower income earners.

3. Although a form of salary reduction, since DCAP's are immediately reimbursed for child care expenses, they are not technically salary deferments. Problems may arise as the government attempts to control tax-savings plans that do not offer even deferred tax payment opportunities in the future.

*Please note: Dependent Care Assistance Programs are relatively new, and not yet widely utilized. Some controversy exists concerning the provisions, exclusions, and consequences of this type of salary reduction plan. Further research should be conducted, and legal counsel obtained before implementing such a plan.

Appendix G

CHILD CARE IMPLEMENTATION TEAM

Donald Bennion
Associate Vice President for Academic Affairs

John Burkhardt
Assistant to the Vice President for University Marketing and Student Affairs

Maureen D'Arcy
Manager of Westview Apartments

Jamie Goldner
President, Student Government

Doris Komblevitz
Director of State, Federal and Community Relations

James Laatsch
Director of Benefit/Compensation Programs

Courtney McAnuff
Director, Financial Aid

William Smart
Director, Physical Plant